



THE COVIDIEN GUIDE
TO BUSINESS CONDUCT



OUR VALUES

Accountability

We each take responsibility for delivering outstanding results to our partners, patients and teammates, while affirming our commitment to integrity and the highest standards of ethical conduct.

Collaboration

We are integral partners working with our colleagues and customers to generate innovative ideas that solve challenging healthcare problems.

Compassion

We are caring professionals committed to improving the health and well-being of patients around the world.

Diversity

We strive to fully understand our marketplace, our customers, our communities and our employees and to enter into our relationships with a sense of honesty, fairness and trust.

A MESSAGE FROM RICH MEELIA, CHAIRMAN, PRESIDENT AND CEO

Dear Colleague,

Integrity is, and always will be, a fundamental part of our Company's culture. Every Covidien employee must maintain the highest standards of honesty and integrity in all business practices.

The Covidien Guide to Business Conduct reaffirms our Core Values and helps us to understand our responsibilities as ethical Covidien employees. In this Guide, you will find information on our Core Values and on our policies and practices for ethical behavior.

Everyone at Covidien – our Board of Directors, senior leadership and employees at every level – is responsible for acting in compliance with workplace policies and with applicable laws and regulations when engaging in business activities.

If you have concerns about any action that may seem to violate our commitment to the highest ethical standards, I urge you in the strongest possible terms to take personal responsibility and communicate your concerns. There are several possible ways to do this, and the names and numbers of those to contact are included in this Guide.

As we continue to build the Covidien culture of integrity and responsibility, it is essential that we set an example for the highest standards of corporate ethics...and be sure to always do the right thing.

Best,



Rich Meelia
Chairman, President and CEO, Covidien

YOUR RESPONSIBILITIES

Your role begins but does not end with understanding Covidien's Core Values and this Guide. If any ethical or legal compliance issue arises that raises a question in your mind, you have a *responsibility to bring it forward*. Speak with your supervisor or a Human Resources, Legal or Audit department representative.

If you would feel more comfortable speaking with someone else, you may call Covidien's confidential toll-free Integrity Helpline at (800) 673-3507 (US). Non-US phone numbers for the Integrity Helpline may be found at the back of this Guide. The Integrity Helpline is available seven days a week, 24 hours a day, and is staffed by trained professionals. Translators are also available.

In addition to the Integrity Helpline, we have established an Ombudsman – a Covidien employee who is an independent and impartial resource with whom our employees, suppliers, investors or customers may raise and address their compliance concerns. The primary function of this office is to ensure that all compliance issues, raised through any of the channels offered to you in this Guide, are resolved quickly, fairly and at the proper level in the organization. The direct line to the Office of the Ombudsman is (800) 987-3575 (US) or (508) 261-6339 (outside the US).

For a complete set of our corporate workplace policies, including detailed policies related to topics in this Guide, please see your supervisor or a Human Resources or Legal department representative.

GETTING STARTED

This information supplements any corporate/division policies related to the areas discussed in this Guide. *The Covidien Guide to Business Conduct* applies to our international locations and was written to ensure that the laws within your location have been considered. This Guide offers general guidelines only and is subject to local law. It is not intended to be all-inclusive.

Questions to Ask Yourself

Every employee is expected to understand and comply with *The Covidien Guide to Business Conduct*, as well as with those policies, practices and regulations that affect his or her job, and to report any violation. All reports of violations will be taken seriously and addressed promptly.

If you are unsure of the appropriateness or ethics of any activity, ask yourself the following questions:

- Does it comply with the law, *The Covidien Guide to Business Conduct* and Covidien's compliance policies and procedures?
- How would our customers, shareholders and the general public look upon this activity?

Reporting a Concern

When in doubt, ask for guidance. If you have a question, wish to discuss an individual situation or want to report a known violation of this Guide, talk with your supervisor or your local Human Resources representative or contact:

- Covidien's toll-free Integrity Helpline at (800) 673-3507 (US). Non-US phone numbers for the Integrity Helpline can be found at the back of this Guide;
- A Legal Department representative; or
- The Office of the Ombudsman at (800) 987-3575 (US) or (508) 261-6339 (outside the US).

All reports are handled with discretion and, if you wish, anonymously. Once your call is received, your information will be referred to the appropriate Covidien representative and will be resolved as quickly as possible.

The Company does everything possible to handle complaints in a sensitive way, and also acts to protect you from any revenge or retaliation as a result of reporting violations.

Duty to Report/Fail to Call

You have a duty to report any violations of this Guide. While you may initially be reluctant to "get involved," it is important to note that failure to report violations can have substantial consequences. In addition to the possibility of being held personally liable for the legal or ethical violation (which may result in fines or even jail time), you may be subject to disciplinary proceedings, including termination. So, when in doubt, speak up.

Violations may result in disciplinary action, up to and including termination and legal prosecution. As with all disciplinary matters, principles of fairness and equity always apply.

Annual Acknowledgment

You will be required to sign a statement annually that you have read and understand *The Covidien Guide to Business Conduct*. This statement also requires you to state that you will comply with this Guide in your daily work activities.

In addition, from time to time, your manager will discuss the importance of complying with *The Covidien Guide to Business Conduct* with you and your coworkers.

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EQUAL EMPLOYMENT

Providing Opportunity for All

FAIR TREATMENT VIOLATIONS LOOK LIKE...

Peter, an employee whose disability requires him to use a wheelchair, is not invited to make the client presentation of the marketing campaign he has authored. The reason, he is told, is because it was felt that the client would be more comfortable with someone who is not in a wheelchair.

Beth, a customer service representative, is fired after she explains that she cannot work Friday afternoons because she honors her religious observations.

Reza is a computer analyst. Every day at noon, Reza leaves his desk and goes into the lavatory to pray. His coworkers have complained, and Reza's manager has told him to stop.

As a company, we expect all employees to treat one another with respect and dignity. Every employee has a unique role in making Covidien a more inspiring and rewarding place to work. Our values are richly embedded in this commitment and are backed by many of the policies and practices outlined in this Guide.

Equal opportunity and fair treatment extend to all employees. Covidien specifically prohibits discrimination on the basis of age, color, disability, ethnicity, marital or family status, national origin, race, religion, sex, sexual orientation, veteran status or any other characteristic protected by law. These principles extend to all employment decisions, including:

- Recruiting, hiring and training;
- Promotions, pay and benefits; and
- Transfers and workforce reductions.

All these types of decisions are based on the individual applicant's or employee's qualifications as they relate to the particular job.

In addition to complying with US Equal Employment Opportunity (EEO) laws, Covidien complies with all other applicable civil rights, human rights and environmental and labor laws.

Covidien is committed to providing an environment that values diversity with a conscious desire to achieve understanding, respect, inclusion and continuous learning.

A Worldwide Commitment

Our values reflect our commitment to be a good global citizen and to act in a socially responsible way in the communities where we live and work – all across the globe.

To that end, we require Covidien business units to provide clean and safe working environments and conditions, forbid child labor at our facilities and require that employees receive all benefits mandated by applicable laws. Regardless of where you work, Covidien prohibits business units from engaging in activities that do not maintain individual dignity and respect, even if permissible under applicable law.



EMPLOYEE DATA PRIVACY

Building a Culture of Privacy

Covidien respects the privacy of its employees. We are committed to protecting the personal information we collect from employees and from other individuals in the employment context, such as job applicants, former employees, interns, temporary workers, dependents and beneficiaries (“Personal Information”). We are also committed to complying with all laws that apply to the handling of Personal Information.

Covidien collects Personal Information that is needed for customary and legitimate business purposes, such as reaching decisions about hiring, placement and promotion; providing compensation and benefits; offering training and career development; supporting other Human Resources programs and services; meeting legal, audit and insurance requirements; and ensuring compliance with Company policies. The collection begins with the hiring process and continues throughout your relationship with the Company. In most cases, Personal Information is collected directly from you, but sometimes it may be collected from other parties, such as a former employer.

Covidien uses Personal Information that it collects to support the purposes mentioned above. We provide access to this information within the Company only to those staff who need it to carry out their designated responsibilities.

Covidien may disclose Personal Information to third parties we engage to assist in meeting the purposes described above (such as a payroll processor, benefits administrator, insurer, auditor or legal counsel), to meet government reporting requirements (such as reports on payroll or employment) or as requested by you (for example, to verify your employment when you apply to a bank for a loan).

Because of the global nature of our business, employee Personal Information may be transferred to Covidien units or third-party agents in other countries as needed. Covidien is committed to ensuring that appropriate safeguards are in place for such transfers.

Covidien protects Personal Information from unauthorized access and disclosure through industry-standard data security policies and measures. We also seek to put appropriate contractual safeguards in place with all third-party agents that process Personal Information on our behalf.

Covidien allows employees to have reasonable access to their own Personal Information and, within reasonable limits, to have any inaccurate or incomplete Personal Information corrected, amended or deleted. Employees who want to access their Personal Information should contact their site Human Resources representative.

It is the responsibility of all Covidien employees to help ensure the appropriate use and security of Personal Information and to follow Covidien’s data privacy and security policies.

Employees with questions or concerns about the handling of Personal Information, either their own or that of others, should contact their site Human Resources representative, the Integrity Helpline, the Office of the Ombudsman or the Legal Department.

IMPROPER USES OF EMPLOYEE DATA LOOK LIKE...

Sally, a marketing manager in the US, comes up with a plan to offer products and services of external partners at a discount to employees. John, a Human Resources manager, provides her with the names and home addresses of Covidien employees throughout the world for a mailing. Both fail to realize that marketing to employees without their consent violates privacy laws in many countries.

Rosalie wants to stay in touch with André, who left the company suddenly. She uses her access to payroll files to obtain his contact information, even though company policy restricts access to such information to legitimate business purposes.

A new VP-Human Resources in the US asks for data on the racial/ethnic origin of all employees for an equal employment opportunity initiative. He is not aware that some European countries prohibit employers from collecting such data.

Questions or concerns about the use or disclosure of Personal Information should be directed to local management, a Human Resources representative, Covidien’s Integrity Helpline at (800) 673-3507 (US) (non-US phone numbers for the Integrity Helpline can be found at the back of this Guide), the Office of the Ombudsman at (800) 987-3575 (US) or (508) 261-6339 (outside the US) or a Legal Department representative.



HARASSMENT-FREE WORKPLACE

Teamwork Starts with Respect

HARASSMENT LOOKS LIKE...

Neil has a habit of telling jokes – sex jokes, Black jokes, Polish jokes, Jewish jokes...jokes about everyone. In fact, the jokes are interchangeable. He even has sent them via email on the Company's distribution list.

The entire team jokes about Tom being gay. Tom has never complained and does not seem to mind; but when Mark is assigned to work with Tom, the jokes turn on Mark. Now that Mark receives the brunt of the jokes, he tells his supervisor he wants to be reassigned. His supervisor complies with Mark's request.

Promoting teamwork and excellence demands a working environment that is free from discrimination, harassment or other intimidating personal behaviors. All Covidien facilities worldwide maintain a professional and harassment-free working environment – they are workplaces where employees act with respect for one another and for those with whom we do business.

The following behaviors are expressly prohibited:

- Unwelcome conduct – whether verbal, physical or visual – that is based on a person's protected status, such as race, color, religion, sex, age, national origin, citizenship status, disability, sexual orientation, veteran status or any other protected status;
- Abusive language, physical aggression, deliberately causing injury to another or any disorderly conduct or malicious disturbance. This includes intimidation or harassment of others; and
- Sexual harassment. This includes unwelcome sexual advances, requests for sexual favors as well as other physical, verbal or visual conduct based on sex when:
 - Submission to the conduct is an explicit or implicit term or condition of employment; or
 - The conduct has the purpose or effect of unreasonably interfering with the individual's work performance by creating a hostile, offensive or intimidating working environment.

Sexual harassment is conduct based upon sex, whether directed toward a person of the same or opposite sex.

In addition to covering employees, our harassment-free workplace policy extends to business associates, such as outside vendors, customers, professionals and other providers of goods or services to any Covidien unit worldwide.

NOTE: This policy applies to both work-related settings and activities outside the workplace.



SUBSTANCE-FREE WORKPLACE

For the Well-Being of All Employees

Substance abuse – whether alcohol or drug abuse – poses a serious threat to the safety, health and productivity of our organization, employees and customers. Covidien has a drug-free and alcohol-free workplace policy that extends to locations worldwide and that applies to employees, vendors, customers and guests.

Our substance-free workplace policy prohibits:

- The use or possession of alcohol, illegal drugs and other controlled substances in the workplace. Their presence will not be tolerated under any circumstances (possession of prescription medication for medical treatment is permitted, however); and
- Being under the influence of alcohol, illegal drugs or any other controlled substance on the job.

Functions Involving Alcohol

There may be Company-sponsored events where management approves the serving of alcoholic beverages. In these cases, all appropriate liquor laws must be followed, including laws regarding the serving of alcohol to those under the legal drinking age. Consistent with our policy, intoxication and excessive drinking at these events are prohibited.

SUBSTANCE ABUSE IN THE WORKPLACE LOOKS LIKE...

Sue, a sales representative, frequently entertains customers at lunch. She regularly has two or three drinks and returns to work with a little "buzz."

Alan keeps a bottle of liquor in his desk drawer for a little "pick-me-up" after a hard day.

Meg takes double the physician-prescribed amount of a muscle relaxant just to get through the "tough times."



QUALITY COMPLIANCE

Maintaining the Highest Quality Standards for Our Products

QUALITY NONCOMPLIANCE LOOKS LIKE...

When reviewing the work that was performed yesterday, Kathy, a supervisor, noted that the work was not signed and dated. When Kathy notified Eric, the technician, he wrote in the previous day's date without any explanation.

John is an operator in an area that requires gowning. He does not properly wear a beard guard because this makes it uncomfortable to talk to coworkers.

Kelly noticed that her data entry on the quality inspection form was mostly unreadable because the form was wet. She scribbled out the entry and the data was re-entered.

As manufacturers and distributors of healthcare products, each employee has a responsibility to ensure that Covidien maintains the highest quality standards for our products. Noncompliance with applicable quality policies and procedures could result in government agency action against our facilities or products. More important, the people who use our products rely on us to ensure that the products and services are safe and effective. Everyone who works at Covidien plays a role in achieving Quality Compliance and is accountable to regulatory agencies, customers and patients.

Covidien Quality Mission

We deliver value to our customers and communities by providing safe, effective and innovative healthcare products and services in an efficient manner that meet or exceed our customers' requirements, standards and regulations.

Covidien Quality Vision

The quality of the products and of the services we provide is our top priority. We provide our employees with the structure, systems, resources, materials, equipment, tools, training, motivation and rewards for them to enable achievement of this mission. By uniting as a team, sharing and aligning our goals, acting always with a sense of urgency and focusing on the best interest of our customers at all times, we ensure that we are individually and collectively successful.

All employee actions with regard to quality should be guided by the Covidien Quality Mission and Vision, as well as by the anticipated reactions by government regulatory agencies, customers and patients.

Responsibility to Report Quality Noncompliance

We all have the responsibility to address quality compliance issues no matter how insignificant. It is fundamental to Covidien's total quality philosophy that our employees swiftly recognize any compliance gap and correct the issue. You must not hesitate to notify your supervisor, quality professional or other appropriate individual immediately in the event a situation occurs that is unsafe or that does not comply with our quality policies or procedures, or that could adversely affect our products. Everyone at Covidien has the responsibility to communicate events or issues that might lead to a potential quality issue so that we can work to prevent any quality issues from occurring.



HEALTH, SAFETY AND THE ENVIRONMENT

Making Workplace Safety a Priority

Having a safe workplace is one of the most important benefits we offer to our employees and their families. At Covidien, we are committed to ensuring a safe working environment for all employees. We do this by following strict safety and health rules and practices, including:

- Prohibiting the possession of weapons and other dangerous devices by Covidien employees, contractors, vendors and visitors at all times on the Company's or customers' property;
- Not tolerating any threats of harm – either direct or indirect – or any conduct that harasses, disrupts or interferes with another employee's work or performance or that creates an intimidating, hostile work environment;
- Rigorously adhering to the established safety procedures, following safety practices and avoiding shortcuts; and
- Requiring every Covidien business to have an active safety program that is strongly supported by its management team.

While compliance with all applicable laws, regulations and record-keeping requirements is mandatory, Covidien seeks to exceed the minimum legal standards. It is our intent to avoid all injuries and to be recognized as an industry leader in safety.

A Word About Our Environment

Covidien conducts its worldwide operations in a manner that both conserves and protects natural resources and environments. All Covidien entities conduct their operations in compliance with applicable environmental laws and regulations in the jurisdictions where we do business.

UNSAFE BEHAVIOR RELATED TO HEALTH, SAFETY AND ENVIRONMENTAL ISSUES LOOKS LIKE...

To save money at his plant, Mitchell provides half the number of safety goggles as there are employees on the line and instructs them to share.

Anne, the plant operations manager, instructs her people to dump used machine oil on unused acreage at the back of the facility.

Dave, the plant manager, allows the contractor responsible for the removal of organic waste material to dump it in a local lake.

If you become aware of any actual or potential safety or environmental hazard, or if you have a safety concern, immediately notify your supervisor, unit manager or your EHS Division Representative. You may also call the Covidien Integrity Helpline at (800) 673-3507 (US) (non-US phone numbers for the Integrity Helpline can be found at the back of this Guide), the Office of the Ombudsman at (800) 987-3575 (US) or (508) 261-6339 (outside the US), or your Legal Department representative.



POLITICAL ACTIVITIES

A Personal Matter

INAPPROPRIATE POLITICAL ACTIVITY IN THE WORK-PLACE LOOKS LIKE...

Kathy distributes flyers, sponsoring a political candidate running for local council, in the cafeteria at work.

Ralph, a team leader, uses company email to solicit support for his cousin who is running for state representative.

Ron distributes ticket purchase forms for a customer's favorite political fundraiser.

While Covidien encourages employees to be informed voters and involve themselves in the political process, that participation is voluntary and must be made on personal time. In addition:

- Employees may not make any contribution of Company funds, property or services to any political candidate, party or committee without the prior approval of a Covidien Legal Department representative;
- Employees may not pressure other employees to make political contributions or to participate in support of a political party or candidate;
- Cooperating with or participating in political or economic boycotts is illegal in some countries and may be subject to civil and criminal penalties. Employees who wish to participate in or support a boycott must first consult with a Covidien Legal Department representative; and
- Covidien employees must comply with all national, state and local laws regulating participation in political affairs. This includes contributions to political parties, national political committees and individual candidates, which require Legal Department approval if paid by or on behalf of the Company.



CONFLICTS OF INTEREST

Know Where Your Loyalties Lie

As a Covidien employee, you make business decisions every day. It is important that each decision, and any related action, be based on the needs of the Company – and *not* on personal interests or relationships.

Every day, each of us works with suppliers, customers, consumers and others who do business with Covidien. It is essential that you avoid even the appearance of conflicts of personal interest with those of the corporation.

For purposes of this policy, a conflict of interest is any interest that conflicts with the purpose, policies or operations of your service with Covidien. The appearance of a conflict is what a reasonable person might view as a potential conflict. Conflicts apply equally to business relationships and personal activities.

Other Business or Financial Interests

Conflicts of interest do not end when you leave the office. You must manage all business relationships that you may have with your Covidien responsibilities in mind. Even outside the office, always avoid any situations that might lead to a conflict – or the appearance of a conflict – between yourself and your work at Covidien.

In addition, if you or an immediate family member has any significant financial interest in a Covidien supplier, customer, consultant or competitor, you must notify your local Human Resources representative. Immediate family members include your spouse/domestic partner, as well as your or your spouse's/ domestic partner's parents, siblings, children, grandchildren, grandparents, aunts, uncles, nephews and nieces.

The Company will work with you to determine the appropriate course of action.

Involvement in Other Organizations

If you serve as a director, an officer or a consultant with any company that does business with Covidien, you must notify your local Human Resources representative. This policy includes volunteer positions (e.g., positions that are unpaid).

CONFLICTS OF INTEREST LOOK LIKE...

A senior executive is also on the board of directors of a corporation that supplies his company with services. The executive has not made it known to the company that he is on the other company's board.

Dwayne is an employee whose sister operates a vending machine company. He learns that his plant will soon be choosing a new vending service. Dwayne gives his sister the terms of the best proposal received so far. She then submits a better proposal on behalf of her company.

Maria, a supervisor, is responsible for filling an open position in her department. Maria's cousin is well qualified and looking for a job. Instead of turning the hiring decision over to her manager, Maria hires her cousin as her direct report.



GIFTS

Appropriate Giving and Receiving

BRIBES AND INAPPROPRIATE GIFTS LOOK LIKE...

Clive, a project manager, is waiting for a permit for the expansion at his facility. An official at the local zoning board informs him that things could move more quickly if he paid an "express fee."

Terri, a medical device representative, hosts her client, a doctor, in a weekly tennis game every Saturday at her country club.

A supplier bidding on a contract offers Sheila a fee to provide him with the amount of the lowest bid she has received so far.

Contact your manager or a Human Resources or Legal department representative for specific questions regarding gifts or for details on dealing with state, local or governmental customers.

It is inadvisable to give or accept any gifts to (or from) anyone with whom Covidien does business. If the gift (or offer of a gift) is of significant value, extending or accepting it can create the appearance of a conflict of interest. It could be suggested or inferred that the gift-giver might receive favorable or preferential treatment – such as purchase orders or better prices, terms or conditions of sale.

This guideline extends to vendors, suppliers and customers, as well as entities or individuals doing or seeking to do business with any Covidien entity. For details about our policies on gift giving regarding customers and healthcare professionals, please see Covidien's Comprehensive Compliance Program or consult with your Legal Department representative.

- Generally, acceptable gifts are infrequent and not excessive in value; and small enough so that you or the Company are not embarrassed to discuss them.

Covidien requires employees to disclose on a gift-reporting form any business gift, favor or entertainment (other than business meals) received with a value of more than US\$50. This form is available from Human Resources or online.

Beware of Bribes

While Covidien is careful about the companies with which it does business, there is always a risk that a business associate may try to "buy your favor" – a nice way of saying bribery. Any bribe or improper payment is prohibited. In addition to cash payments, bribes include:

- Kickbacks or kickback schemes;
- Unexplained rebates; and
- Payments for advertising or other disguised allowances or expenses.

Business Relationships

It is important that all relationships with suppliers, customers and other parties be based on lawful, efficient and fair business practices.

Reasonable business expenditures, such as dinner, that are in the best interests of the Company may be allowed. Such expenditures must always be handled in an appropriate and lawful manner and in accordance with Company policy.

Doing Business with Government Organizations

The sale of goods and services to government organizations is heavily regulated. Covidien employees involved in sales to governmental customers must take the necessary steps to ensure that all government-related transactions and relationships comply with applicable laws and regulations, including the provision of gifts.

Fraud and Abuse

Covidien has adopted policies and procedures related to gifts, entertainment and sponsorships for healthcare professionals. These policies and procedures are consistent with the AdvaMed and PhRMA codes of conduct, US anti-kickback statutes as well as other global industry codes of conduct and laws. You are responsible for understanding Covidien's policies and procedures in this area. Please contact a Legal Department representative with any questions.

Foreign Corrupt Practices Act

Covidien complies with the US Foreign Corrupt Practices Act. This Act prohibits employees from bribing any public official, government or other individual – regardless of nationality or local custom – to secure any concession, contract or favorable treatment for Covidien or the employee. Bribes may include inappropriate gifts, kickbacks or unlawful payments.



FRAUD

Know How to Identify and Avoid It

Fraud – or the act or intent to cheat, trick, steal, deceive or lie – is both dishonest and, in most cases, criminal. Intentional acts of fraud are subject to strict disciplinary action, including dismissal and possible civil and/or criminal action.

It is important to understand what fraud can entail, so you can recognize it and avoid mistakes. Some examples include:

- Submitting false expense reports;
- Forging or altering checks;
- Misappropriating assets or misusing Company property;
- Unauthorized handling or reporting of transactions;

- Inflating sales numbers by shipping inventory known to be defective or nonconforming; and
- Intentionally making any entry on Company records or financial statements that is not accurate and in accordance with proper accounting standards.

NOTE: For more information on Company records, see page 19.

FRAUD LOOKS LIKE...

Michael's client takes him out for dinner after he makes a sales presentation at the client's company. Michael then expenses the same US\$65 dinner.

Yin, a software-training specialist, makes copies of software programs for use on her computer at home and gives copies to all her family and friends.

Kristen, a comptroller, loans her employees money from the company, charges them interest and deposits their repayments into her personal bank account.

Enrique, a sales representative, charges personal items to his corporate credit card.

These are just some examples of fraud. If you experience or witness other activities that you think may be fraudulent, immediately notify your local Human Resources or Legal department representative, call the Integrity Helpline at (800) 673-3507 (US) (non-US phone numbers for the Integrity Helpline can be found at the back of this Guide), or call the Office of the Ombudsman at (800) 987-3575 (US) or (508) 261-6339 (outside the US).



ANTITRUST

Encouraging Healthy Competition

ANTITRUST VIOLATIONS LOOK LIKE...

A Covidien employee and a competitor agree to offer a US\$500 rebate on the purchase of a new system. Afterward, both companies offer such a rebate.

Several pharmaceutical companies confer and agree to set and keep their prices high.

Sales representatives at competing companies talk over drinks and agree to split customers within the territory in order to maintain "turf." Business now becomes, "Stay off our turf, and we'll stay off yours."

Covidien's Legal Department can provide you with specific rules applicable to your business. For details, contact your Legal Department representative or call the Office of the Ombudsman at (800) 987-3575 (US) or (508) 261-6339 (outside the US).

Employees working in marketing, sales, purchasing or acquisitions need to be especially aware of antitrust and trade regulation requirements. This also applies to those who participate in trade associations or industry standard-setting groups.

Antitrust law is designed to ensure that competition remains vigorous and free from collusion. Because antitrust issues are very complex, determining what actions are improper often depends on the structure of the market and a number of other factors.

To avoid even the perception of unlawful conduct, employees should avoid:

- Discussing with a competitor prices, costs, production, products and services, bidding practices, other nonpublic business matters, sales territories, distribution channels or customers; and
- Restricting the right of a customer to sell or lease a product or service at or above a certain price.

In addition, the following practices should not be engaged in without prior review by a Legal Department representative:

- Conditioning or "tying" the sale or lease of a product or service on the sale or lease of another product or service;
- Conditioning the purchase, sale or lease of a product or service on a reciprocal agreement with a customer or supplier;
- Entering into an exclusive dealing arrangement with a customer or supplier;
- Limiting a customer as to the territories in which, or the customers to whom, a product or service can be resold or leased; and
- Discriminating as to the prices or allowances offered to competing customers.



PROPRIETARY AND CONFIDENTIAL INFORMATION

Protecting the Company's Knowledge

Covidien's business information is very valuable and must be protected. Therefore, you are expected to respect the Company's proprietary and confidential information by:

- Maintaining strict confidentiality of information safeguarded to you; and
- Not sharing that information with anyone – even a coworker – who does not need to know about it.

Some examples of confidential and proprietary information include:

- Written and oral agreements between the Company and employees, agents, strategic partners and/or other third parties;
- Intellectual property – such as trademarks, patents and copyrights;
- Company financial information;
- Proprietary software or Company-owned software modifications, templates, worksheets or other programs;
- Financial and other information about potential acquisitions;
- Drawings for current or potential new products;
- Information about new product development;
- Customer lists and agreements, market share data, supplier agreements and other files;
- Information that the Company makes an effort to protect and that would harm the Company if competitors learned of it; and
- Information relating to any employee's compensation, employment status, performance, etc.

In addition, information provided to Covidien in good faith by our customers and suppliers must be treated with the same degree of confidentiality.

Ownership of Intellectual Property

Any technical innovations, discoveries, system designs or technical enhancements that an employee designs or conceives while at Covidien are the sole property of Covidien. The employee must disclose such discoveries and innovations to Covidien.

Your obligations to maintain confidentiality extend beyond your tenure at Covidien. Even after you leave Covidien, you may not disclose or in any way provide confidential information. At the same time, you may not disclose confidential information that you may have obtained at a previous employer, including, but not limited to, trade secrets.

IMPROPER USE OF PROPRIETARY INFORMATION LOOKS LIKE...

Alison uses a process she learned from her brother-in-law's work. His company has never publicly revealed the process.

Carrie, an assistant to the engineering manager, copies designs of a new medical instrument and gives them to her friend who applies for a patent under his name.

Dean, an employee of a medical device company, is responsible for gathering data about the company's customers. He provides this information to his friend's brother who runs a medical device industry marketing firm.

Should you have any questions, contact your supervisor or your Legal Department representative. You also may contact the Office of the Ombudsman at (800) 987-3575 (US) or (508) 261-6339 (outside the US).



INSIDER INFORMATION AND TRADING COVIDIEN SECURITIES

Know the Rules to Protect Yourself

IMPROPER USE OF INSIDER INFORMATION LOOKS LIKE...

Sharon, a lawyer, learns that her company is in negotiations to purchase a smaller organization with the missing technology her company needs. She purchases convertible bonds in the company to be acquired.

Joseph, an engineer, learns that his company is considering merging with another company to improve global representation. He immediately calls his family and encourages them to purchase additional company stock.

Three days before the public announcement of the quarterly earnings, Lawrence overhears that Wall Street will be disappointed with his company's quarterly results. On his way home from work that evening, he calls his broker to sell all his company stock.

US securities law has strict requirements regarding how we use and disclose Company information. In the course of your job here at Covidien, you may be privy to various nonpublic information about Covidien, its customers, suppliers or acquisition targets.

For purposes of this policy, it is important to understand the following terms:

- "Material" information is information of such importance that it can be expected to affect the judgment of investors as to whether or not to buy, sell or hold the securities in question;
- "Nonpublic" means the information is not generally available to the public; and
- Insider "tipping" may include inadvertent or overheard statements.

Covidien's policy and US law prohibit employees from buying or selling Covidien stock or any other kind of public security as a result of insider information. It is also illegal and improper to provide such information about Covidien to other individuals or companies so that they may gain. Lastly, employees are prohibited from trading in stock of customers and suppliers as a result of insider information.

Covidien's directors and many senior-level employees have additional disclosure requirements (e.g., being required to obtain approval from a Covidien Legal Department representative before trading in Covidien securities). All of these policies are designed to help employees avoid the inadvertent disclosure of information or illegal securities trades.

Direct all questions regarding securities trading to Covidien's Legal Department.



THE MEDIA AND THE FINANCIAL COMMUNITY

Our Reputation Depends on Our Public Appearance

Communication with the news media is an important part of Covidien's communications program. However, as a public Company, Covidien has certain regulatory and legal obligations regarding how it makes significant events available to the public.

In general, communications with the news media – including financial press and financial analysts – should be directed to your local and/or the Corporate Communications office. Media requests for information might include:

- Speculating on changes in the Company's stock price;
- Spreading rumors about a merger, an acquisition or another significant business event;
- Spreading rumors about management changes; and
- Answering questions about new products, policies, processes or strategies.

A Word About Internet Postings and Chat Rooms

In today's electronic age, posting information on Internet bulletin boards or blogs or even communicating in chat rooms (other than internal/Company-provided spaces) is the same as "speaking to the media."

Employees should not use these forums to discuss matters or opinions related to the Company or any of its industries, or to respond to comments about the Company.

If you see a comment or posting of concern, you are encouraged to bring it to the attention of your local or Corporate Communications Department or to a Legal Department representative.

IMPROPER RESPONSES TO REQUESTS FOR INFORMATION LOOK LIKE...

Vera, the comptroller's administrative assistant, receives a phone call from a reporter who asks, "Is it true that you are about to sell off a division?" She replies, "I don't know, but you'll know as soon as I know."

Kim, a marketing manager, gives an interview with her local newspaper and describes the consumer division's exceptionally strong sales as the reason behind the company's soaring stock prices.

A trade reporter asks Lee, a process applications engineer, how his group got the idea for the new line of products. Lee describes the exciting new product development process in detail.



EMAIL, THE INTERNET AND THE USE OF COMPANY PROPERTY

Limiting Use to Business Purposes

IMPROPER USE OF EMAIL, INTERNET AND OTHER COMPANY COMMUNICATIONS LOOKS LIKE...

Jacob receives a joke with sexual overtones from an old college friend on his work email. He passes it along to coworkers.

Upset that she has been temporarily laid off, Natalie goes to a widely used financial bulletin board on the Internet and posts a long message about how her company has mistreated her.

Carlos's former company used a proprietary Excel® spreadsheet to allocate bonuses among employees. Without permission from his prior company, he uses that spreadsheet to create a similar tool for his new employer.

All communications data and information sent or received using Company property while you are employed at Covidien are Company property and are not private communications. Covidien owns and/or controls access to all communication equipment, including computers, software, email, voicemail, conferencing equipment and office supplies. Covidien reserves the right to monitor all communications, including Internet usage. So, unless protected by applicable law, you should not have an expectation of privacy with regard to the information stored or transmitted on this Company property.

Covidien's Company property – its buildings, vehicles, equipment and supplies – is in place to enable employees to perform the business-related duties that their positions require. The use of Company property is for the sole purpose of conducting business-related tasks.

Incidental Personal Use

The Company recognizes that, from time to time, you may need to use Company equipment and/or communications for personal use. In general, this is allowed, provided such use:

- Is limited in duration or extent;
- Does not adversely affect your attention to or completion of your job responsibilities;
- Does not result in any significant incremental cost to the Company;
- Does not contain pornographic or offensive material, discriminatory or harassing language or derogatory references to age, color, disability, ethnicity, marital or family status, national origin, race, religion, sex, sexual orientation, veteran status or any other characteristic protected by law; and

- Does not otherwise violate *The Covidien Guide to Business Conduct*, particularly the sections related to "Conflicts of Interest" and/or disclosure of "Proprietary and Confidential Information."

Software

In general, the only software that should be loaded on your computer is that which the Company has approved and purchased. In many cases, it is illegal to copy, download or distribute software or other materials or files that are protected by copyright.

Even so-called "free-ware" or "share-ware" – electronic programs and files available at no cost from the Internet – are prohibited, unless specifically approved by the Information Services Department, as they can serve as source materials for spreading computer viruses.



RECORD-KEEPING, FINANCIAL AND EXPORT CONTROLS

The Information by Which We Are Measured

Accurate, timely financial records and export controls provide the core information that is necessary to manage our business. These records and export controls also are essential to fulfilling obligations to our shareholders, governments and the general public at large.

In general, all internal and external financial records and information must follow:

- US generally accepted accounting principles; and
- Effective internal controls, including procedures to protect the Company's assets.

NOTE: Financial information can be made available outside the Company only with proper prior authorization.

Accuracy of Company Records

All business transactions must be properly authorized as well as completely and accurately recorded on the Company's books. Procedures for doing so must comply with Covidien's financial policies and follow Covidien's delegation of authority, as well as follow generally accepted accounting practices.

Budget proposals – and other financial evaluations and forecasts – must fairly represent all information relevant to the decision. In addition, no unrecorded cash funds or other asset accounts will be established or maintained for any purpose.

Misapplication or improper use of corporate or customers' funds or property – or false entry to records by employees or others – must be reported to a Legal Department representative and/or the Office of the Ombudsman except where prohibited by local law. Any such behavior may result in disciplinary action, up to and including termination.

Communicating Accurate, Timely Information

In all interactions and communications – whether with customers, suppliers, government agencies or others inside or outside the Company – you are expected to be truthful and forthright. This includes:

- Making accurate statements, not misrepresentations or statements intended to mislead or misinform; and
- Responding promptly, accurately and with full disclosure to requests from governmental agencies for information or documents.

NOTE: All such requests should be reported immediately to your Covidien Legal Department representative, who will determine the appropriate response and give the necessary authorization prior to any employee providing documentation to outside parties.

IMPROPER FINANCIAL RECORDS AND POOR CONTROLS LOOK LIKE...

Brandon, an accounting clerk, is asked by his supervisor to charge ordinary operating expenses against a special accounting reserve. When he objects that this is improper and would artificially inflate income numbers, he is told that the annual bonuses of the entire team depend on making income targets. He is also told that if he will not book the income as directed, his supervisor "will find someone else who will."

Paul, a director in the company, instructs his direct reports to expense equipment purchased for his own use/benefit on their monthly travel and expense reports. This practice bypasses the approval process in place.



RECORD-KEEPING, FINANCIAL AND EXPORT CONTROLS

The Information by Which We Are Measured (continued)

IMPROPER FINANCIAL RECORDS AND POOR CONTROLS LOOK LIKE...

Ian, an IT administrator, implements a password system that requires password rotation every 90 days for key individuals in the company. All other computers have no password system. He reasons only the VIPs' computers need to be protected.

Jenny, an accounting clerk, is told by her supervisor to book an adjustment to accrued liabilities to build up reserves for a "rainy day."

José's supervisor has instructed all the accounts payable staff to postpone recognizing the expenses incurred for selected projects to improve the company's quarterly financial results.

Record-Keeping and Records Management

To help maintain the integrity of your business unit's record-keeping and reporting systems, you must know your area's records retention procedures, including how data is stored and retrieved. It is your responsibility to know how to document and transact any entries or records for which you are responsible.

All employees are expected to comply fully and accurately with all audits, including responding in a timely fashion to requests for:

- Special record-keeping or retention of documents; and
- Documents or other material from or on behalf of Covidien's auditors, Human Resources Department, a Legal Department representative or management.

Saving Documents and Files

Covidien's records management policy currently specifies that all documents must be retained for legal and business purposes. Specifically, this means that:

- No document – including originals, drafts, duplicates, as well as computer files, disk drives, hard disks, floppy disks, CD-ROMs or any other media – may be destroyed, altered or removed from any file or premises where it is stored other than in accordance with Covidien's established records management policy; and

- Communicating false or derogatory information – as well as altering or destroying any document without authorization – is a violation of Company policy and, in many cases, illegal. Employees doing so are subject to strict disciplinary action, including termination, as well as referral to the appropriate authorities.

Error Reconciliation

It is Covidien's policy to advise customers and suppliers of any clerical or accounting errors – and to promptly correct such errors through credits, refunds or other mutually acceptable means.

Export Control

Covidien complies with all export control laws of the United States and all other jurisdictions in which we operate worldwide. Covidien's policy on export/import controls and economic sanctions contains specific guidelines regarding:

- Obtaining proper export authorization;
- Establishing eligibility of export recipients;
- Executing and delivering required documentation; and
- Retaining records for the above.

THE INTEGRITY HELPLINE TOLL-FREE CALLING INSTRUCTIONS

Instructions for Callers in the United States, US Territories and Canada

Callers in the United States, US Territories and Canada may access the toll-free Integrity Helpline by dialing (800) 673-3507.

Instructions for Callers in Pakistan

Callers in Pakistan may access the Integrity Helpline in the following manner:

- Step 1** Place your call from a “land line” (not a mobile phone) that allows international calls. Obtain an open line and dial tone to place a local call.
- Step 2** Dial the AT&T Direct Access number for Pakistan: 0080001001. Do not dial any prefixes or other digits. For complete, up-to-date information on AT&T’s in-country access numbers, please visit www.att.com/traveler.
- Step 3** You will hear a dial tone and a recorded voice saying, “AT&T.” After you hear this tone and message, dial (800) 673-3507. Do not dial any prefixes or other digits.
- Step 4** You will be connected with Covidien’s third-party helpline vendor, Global Compliance. Then you will hear a recorded greeting explaining the purpose of the line. When a representative comes on the line, please state the name of the language in which you wish to have the call. Global Compliance will conference in an interpreter to assist with your call. Please be patient, as the process of conferencing an interpreter can take several minutes. You will hear music while you are waiting.
- Step 5** A Global Compliance Communication Specialist will answer your call and introduce himself or herself. If an interpreter is on the call, the interpreter will greet you in your language and will explain that he or she is present to assist the Communication Specialist in gathering your information.

Instructions for Callers Worldwide

Callers outside the United States, US Territories, Canada and Pakistan may access the Integrity Helpline in the following manner:

- Step 1** Place your call from a “land line” (not a mobile phone) that allows international calls. Obtain an open line and dial tone for placing a local call.
- Step 2** Dial the toll-free Integrity Helpline number for your country (see table on the next page). Do not dial any prefixes, access codes or other digits.
- Step 3** You will be connected with Covidien’s third-party helpline vendor, Global Compliance. You may hear a recorded greeting prompting you to select the language you would like to speak. Then you will hear a recorded explanation of the purpose of the line.
- Step 4** If you choose a language other than English, Global Compliance will conference in an interpreter to assist with your call. Please be patient, as the process of conferencing an interpreter can take several minutes. You will hear music while you are waiting.
- Step 5** A Global Compliance Communication Specialist will answer your call and introduce himself or herself. If an interpreter is on the call, the interpreter will greet you in your language and will explain that he or she is present to assist the Communication Specialist in gathering your information.

NOTE: Callers in Turkey may call collect at (704) 558-4710.

Covidien employees may also report issues to the Integrity Helpline through a secure website at the following address: <http://www.compliance-helpline.com/Covidien.jsp>

THE INTEGRITY HELPLINE TOLL-FREE CALLING INSTRUCTIONS (continued)

Non-US Toll-Free Numbers

Argentina	0800-666-1730	Japan	0044-22-11-2563 00531-11-4737
Australia	A2 1-800-20-8932 AU 1-800-14-1924	Korea (South)	00368-110116 00308-11-0518 00798-1-1-004-0083
Austria	0800-298-684		
Belgium	0800-7-1417	Luxembourg	800-2-7328
Bermuda	1-866-811-3760	Malaysia	1-800-80-3435
Brazil	0800-891-4177	Mexico	001-800-613-2737
Chile	1230-020-5495	Netherlands	0800-022-5890
China	10-800-711-0631 10-800-110-0577	New Zealand	0800-450464
Colombia	01-800-912-0029	Norway	800-18540
Costa Rica	0-800-011-1049	Panama	001-866-885-7846
Denmark	80-885619	Peru	0800-52-626
Dominican Republic	1-800-528-1092	Philippines	1-800-1-111-0112
Finland	08001-1-6575	Poland	0-0-800-111-1561
France	0800-90-1703	Portugal	800-8-11215
Germany	0800-187-3586	Singapore	800-110-1519
Hong Kong	800-962-881	South Africa	0800-980-082
India	000-800-100-1075	Spain	900-97-1031
Indonesia	011-803-1-008-3365	Sweden	020-79-0631
Ireland	1-800-558-549	Switzerland	0800-56-1525
Israel	180-940-0091 00798-1-1-004-0083 00308-411-0518	Taiwan	00801-10-4060
Italy	800-788340	Thailand	001-800-11-008-3246
		United Kingdom	0808-234-7051

Where to Go for Help:

- Covidien's toll-free Integrity Helpline – (800) 673-3507 (US)
(non-US phone numbers for the Integrity Helpline are located above);
- The Office of the Ombudsman at (800) 987-3575 (US) or (508) 261-6339 (outside the US);
- Or you may contact:
 - Your Supervisor;
 - The Human Resources Department; or
 - A Legal Department representative.

MY COMMITMENT STATEMENT

I hereby acknowledge that I have read and understand the information set forth in *The Covidien Guide to Business Conduct*. I will comply with these principles in all my daily work activities.

(Please print clearly):

Date

Name (print)

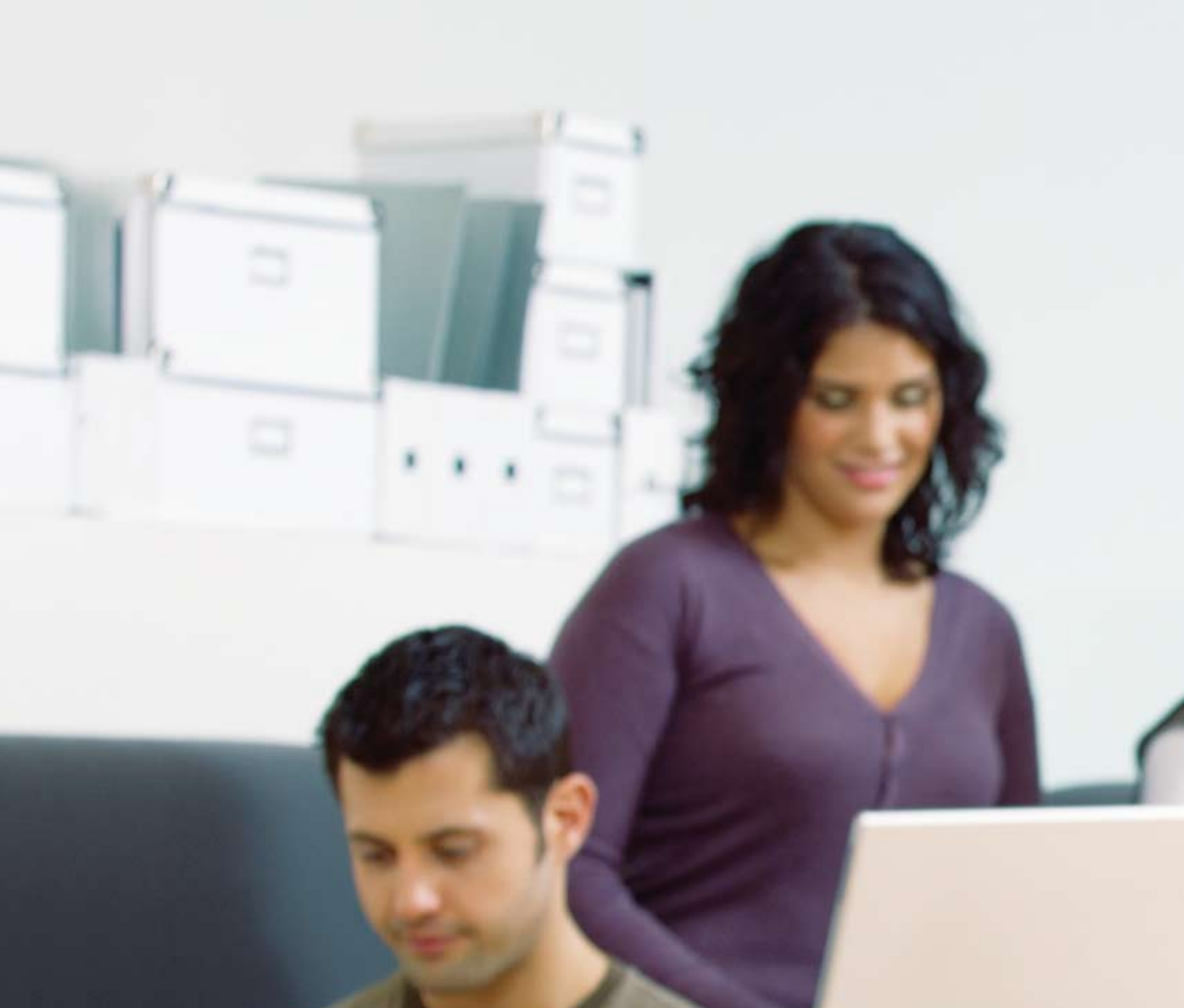
City

State / Province

Zip / Postal Code

Country

Signature



COVIDIEN

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